

General Assembly

Substitute Bill No. 994

January Session, 2011

\*\_\_\_\_SB00994ENV\_\_\_032211\_\_\_\_\_\*

## AN ACT AUTHORIZING THE SALE OF CONNECTICUT WINE AT FARMERS' MARKETS AND ESTABLISHING A FARMERS' MARKET WINE PERMIT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Subsection (e) of section 30-16 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2011):
- (e) (1) A manufacturer permit for a farm winery shall be in all respects the same as a manufacturer permit, except that the scope of operations of the holder shall be limited to wine and brandies distilled from grape products or other fruit products, including grappa and eau-de-vie. As used in this section, "farm winery" means any place or premises, located on a farm in the state in which wine is manufactured and sold.
  - (2) Such permit shall, at the single principal premises of the farm winery, authorize (A) the sale in bulk by the holder thereof from the premises where the products are manufactured pursuant to such permit; (B) as to a manufacturer who produces one hundred thousand gallons of wine or less per year, the sale and shipment by the holder thereof to a retailer of wine manufactured by the farm winery permittee in the original sealed containers of not more than fifteen gallons per container; (C) the sale and shipment by the holder thereof

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of wine manufactured by the farm winery permittee to persons outside the state; (D) the offering and tasting of free samples of such wine or brandy to visitors and prospective retail customers for consumption on the premises of the farm winery permittee; (E) the sale at retail from the premises of sealed bottles or other sealed containers of such wine or brandy for consumption off the premises; (F) the sale at retail from the premises of wine or brandy by the glass and bottle to visitors on the premises of the farm winery permittee for consumption on the premises; and (G) subject to the provisions of subdivision (3) of this subsection, the sale and delivery or shipment of wine manufactured by the permittee directly to a consumer in this state. Notwithstanding the provisions of subparagraphs (D), (E) and (F) of this subdivision, a town may, by ordinance or zoning regulation, prohibit any such offering, tasting or selling at retail at premises within such town for which a manufacturer permit for a farm winery has been issued.

(3) A permittee, when selling and shipping wine directly to a consumer in this state, shall: (A) Ensure that the shipping labels on all containers of wine shipped directly to a consumer in this state conspicuously state the following: "CONTAINS ALCOHOL-SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY"; (B) obtain the signature of a person age twenty-one or older at the address prior to delivery, after requiring the signer to demonstrate that he or she is age twenty-one or older by providing a valid motor vehicle operator's license or a valid identity card described in section 1-1h; (C) not ship more than five gallons of wine in any twomonth period to any person in this state; (D) pay, to the Department of Revenue Services, all sales taxes and alcoholic beverage taxes due under chapters 219 and 220 on sales of wine to consumers in this state, and file, with said department, all sales tax returns and alcoholic beverage tax returns relating to such sales; (E) report to the Department of Consumer Protection a separate and complete record of all sales and shipments to consumers in the state, on a ledger sheet or similar form which readily presents a chronological account of such permittee's dealings with each such consumer; (F) not ship to any

- address in the state where the sale of alcoholic liquor is prohibited by local option pursuant to section 30-9; and (G) hold an in-state transporter's permit pursuant to section 30-19f or make any such shipment through the use of a person who holds such an in-state transporter's permit.
- 58 (4) No licensed farm winery may sell any such wine or brandy not 59 manufactured by such winery, except a licensed farm winery may sell 60 from the premises wine manufactured by another farm winery located 61 in this state.
  - (5) The farm winery permittee shall grow on the premises of the farm winery or on property under the same ownership and control of said permittee or leased by the backer of a farm winery permit or by said permittee within the farm winery's principal state an average crop of fruit equal to not less than twenty-five per cent of the fruit used in the manufacture of the farm winery permittee's wine. An average crop shall be defined each year as the average yield of the farm winery permittee's two largest annual crops out of the preceding five years, except that during the first seven years from the date of issuance of a farm winery permit, an average crop shall be defined as three tons of grapes for each acre of vineyard farmed by the farm winery permittee. In the event the farm winery consists of more than one property, the aggregate acreage of the farm winery shall not be less than five acres.
  - (6) A holder of a manufacturer permit for a farm winery, when advertising or offering wine for direct shipment to a consumer in this state via the Internet or any other on-line computer network, shall clearly and conspicuously state such liquor permit number in its advertising.
  - (7) A holder of a manufacturer permit for a farm winery may sell wine manufactured from such winery at a farmers' market, as defined in section 22-6r, that is operated as a nonprofit enterprise or association provided such farmers' market invites such holder to sell wine at such farmers' market and such holder has a farmers' market wine sales

- permit issued by the Commissioner of Consumer Protection in accordance with the provisions of section 2 of this act.
- [(7)] (8) The annual fee for a manufacturer permit for a farm winery shall be three hundred dollars.
- 89 Sec. 2. (NEW) (Effective July 1, 2011) The Commissioner of Consumer 90 Protection shall issue a farmers' market wine sales permit to a holder 91 of a manufacturer permit for a farm winery upon submission of proof 92 to the commissioner that such holder is in compliance with the 93 requirements of subsection (e) of section 30-16 of the general statutes, 94 as amended by this act. Such permit shall authorize the sale of wine 95 manufactured from such farm winery during an unlimited number of 96 appearances at a farmers' market at not more than three farmers' 97 market locations per year provided such holder: (1) Has an invitation 98 from such farmers' market to sell wine at such farmers' market, (2) 99 only sells wine by the bottle at such farmers' markets, and (3) is 100 present, or has an authorized representative present, at the time of sale 101 of any such bottle of wine from such farm winery at such farmers' 102 market. Any such farmers' market wine sales permit shall be valid for 103 a period of one year from the date of issuance. The annual fee for a 104 farmers' market wine sales permit shall be two hundred fifty dollars. 105 The commissioner shall collect a one-hundred-dollar, nonrefundable, 106 filing fee for any such permit.
- Sec. 3. (NEW) (*Effective July 1, 2011*) Any town or municipality may, by ordinance or zoning regulation, prohibit the sale of wine by the holder of a farmers' market wine sales permit at a farmers' market held in such town or municipality.
- Sec. 4. Subsection (a) of section 30-48 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 11, 2011):
- 114 (a) No backer or permittee of one permit class shall be a backer or 115 permittee of any other permit class except in the case of any class of

116 airport, railroad, airline and boat permits, and except that: (1) A backer 117 of a hotel or restaurant permit may be a backer of both such classes; (2) 118 a holder or backer of a manufacturer permit for a brew pub, a restaurant permit or a cafe permit may be a holder or backer of any 119 120 other or all of such classes; (3) a holder or backer of a restaurant permit 121 may be a holder or backer of a bowling establishment permit; (4) a 122 backer of a restaurant permit may be a backer of a coliseum permit or a 123 coliseum concession permit, or both, when such restaurant is within a 124 coliseum; (5) a backer of a hotel permit may be a backer of a coliseum 125 permit or a coliseum concession permit, or both; (6) a backer of a 126 coliseum permit may be a backer of a coliseum concession permit; (7) a 127 backer of a coliseum concession permit may be a backer of a coliseum 128 permit; (8) a backer of a grocery store beer permit may be a backer of a package store permit if such was the case on or before May 1, 1996; (9) 129 130 a backer of a university permit may be a backer of a nonprofit theater 131 permit; (10) subject to the discretion of the department, a backer of a 132 permit provided for in section 30-33b, may be a backer of any other 133 retail on-premise consumption permit, including those permits 134 provided for in section 30-33b; (11) a backer of a nonprofit theater 135 permit may be a holder or backer of a hotel permit; (12) a holder or 136 backer of a restaurant permit may be a holder or backer of a special 137 outing facility permit; (13) a backer of a concession permit may be a 138 backer of a coliseum permit or a coliseum concession permit, or both; 139 (14) a holder of an out-of-state winery shipper's permit for wine may 140 be a holder of an in-state transporter's permit or an out-of-state entity 141 wine festival permit issued pursuant to section 30-37m, or of both such 142 permits; (15) a holder of an out-of-state shipper's permit for alcoholic 143 liquor other than beer may be a holder of an in-state transporter's 144 permit; and (16) a holder of a manufacturer's permit for a farm winery 145 may be a holder of an in-state transporter's permit, [or] a wine festival 146 permit issued pursuant to section 30-37l, a farmers' market wine sales permit issued pursuant to section 2 of this act or of [both] any 147 148 combination of such permits. Any person may be a permittee of more 149 than one permit. A person may be a permittee under a permit 150 provided for in section 30-33b and a backer of any other retail onpremise consumption permit, including those permits provided for in section 30-33b. The operator of a racing or jai alai exhibition with parimutuel betting licensed by the Gaming Policy Board may be a backer of any permit provided for in section 30-33b. No holder of a manufacturer permit for a brew pub and no spouse or child of such holder may be a holder or backer of more than three restaurant permits or cafe permits.

Sec. 5. Section 30-91 of the general statutes is amended by adding subsection (l) as follows (*Effective July 1, 2011*):

(NEW) (l) The sale of wine at a farmers' market by a permittee holding a farmers' market wine sales permit pursuant to section 2 of this act shall be unlawful on Sunday and on any other day before eight o'clock a.m. and after nine o'clock p.m., provided such permittee shall not sell such wine at a farmers' market at any time during such hours that the farmers' market is not open to the public. Any town may, by vote of a town meeting or by ordinance, reduce the number of hours during which sales of wine under this subsection shall be permissible.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2011	30-16(e)
Sec. 2	July 1, 2011	New section
Sec. 3	July 1, 2011	New section
Sec. 4	July 1, 2011	30-48(a)
Sec. 5	July 1, 2011	30-91

**ENV** Joint Favorable Subst.

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